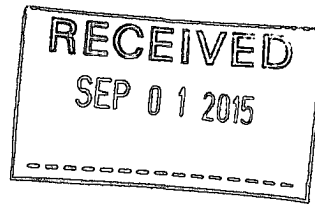


US EPA ARCHIVE DOCUMENT

PALMDALE ENERGY, LLC

*Palmdale Energy, LLC
801 Second Ave.
Seattle, WA 98104*

August 24, 2015



Deborah Jordan
Director, Air Division
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105

Subject: PSD Permit No. SE 09-01 - Palmdale Hybrid Power Plant (PHPP) – Withdrawal of Request for Extension and Permit Termination

Dear Ms. Jordan:

On September 25, 2012, after EPA's Environmental Appeals Board dismissed a petition for review of the permit, PSD Permit No. SE 09-01 was issued to the City of Palmdale for the Palmdale Hybrid Power Project.

On March 13, 2014, the City of Palmdale, in accordance with the January 31st, 2014 revised EPA requirements requested an extension to the final PSD Permit. To this date, EPA has neither acted on nor provided any response to this request.

In April 2015, the Palmdale Hybrid Power Project was transferred from the City of Palmdale to Palmdale Energy, LLC a wholly owned subsidiary of Summit Power Group, LLC based in Seattle Washington. Also, in April 2015, Palmdale Energy, LLC submitted an amendment to modify the Project configuration to the California Energy Commission. A new source review permit application was also submitted to the Antelope Valley Air Quality Management District in July 2015. The highlights of this modification are as follows:

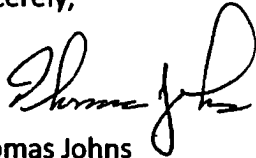
- Change in turbine technology to reflect latest "F" Class performance & fast start capabilities,
- Revised operating profile to serve the California need for fast start, flexible generation capacity to aid in the integration of renewable generation resources.
- Elimination of the concentrated solar trough technology due to the poor economics of energy production for this technology, especially with California's need for flexible, fast start, dispatchable generating capacity and
- Elimination of the "wet" cooling tower in favor of an air cooled condenser thereby reducing water use for the Project by 90%.

Given the changes overviewed above, the purpose of this letter is to withdraw the Request for Extension of PSD Permit SE 09-01 and to request the EPA terminate this PSD Permit as well.

Palmdale Energy, LLC expects to submit a new PSD Permit application in the next 30 days which will reflect the revised Project configuration. Given that a PSD Permit was issued for the prior Project configuration, we hope EPA will support our request to change technology and issue a new permit in a timely manner.

Thank you for your attention in this matter. If you have any questions, please do not hesitate to call me at (509) 926-3485.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Johns", written in a cursive style.

Thomas Johns
Vice President
Palmdale Energy, LLC

PALMDALE ENERGY, LLC

*Palmdale Energy, LLC
801 Second Ave.
Suite 1150
Seattle, WA 98104*

August 24, 2015

Deborah Jordan
Director, Air Division
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105

Re: Palmdale Hybrid Power Plant (PHPP) - Change in Ownership

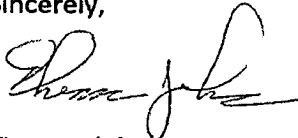
Dear Ms. Jordan:

This is to inform you of the recent change in ownership of the Palmdale Hybrid Power Plant. The Project and its permits have been transferred to Palmdale Energy, LLC. Palmdale Energy, LLC is a wholly owned subsidiary of Summit Power Group, LLC which is based in Seattle, Washington.

As further evidence of this transferal, please find enclosed the California Energy Commission Decision approving transfer of ownership on June 10, 2015

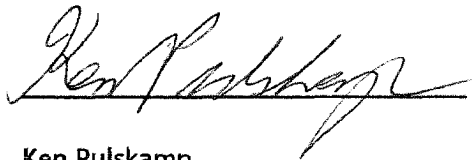
Thank you for your attention in this matter. If you have any questions, please do not hesitate to call me at (509) 926-3485.

Sincerely,



Thomas Johns
Vice President
Palmdale Energy, LLC

Acknowledged by:



Name: Ken Pulskamp
Title: City Manager – City of Palmdale
Date: August 24, 2015

Attachment: *California Energy Commission Order approving transfer from City of Palmdale to Palmdale Energy, LLC*

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION**

| | | |
|--|---|--|
| In the Matter of: |) | Docket No. 08-AFC-9C |
| PALMDALE HYBRID POWER PROJECT) |) | Order No. 15-0610-1a |
| |) | |
| City of Palmdale |) | ORDER |
| |) | Approving transfer of ownership |
| |) | from the City of Palmdale to Palmdale |
| |) | Energy, LLC |

On April 30, 2015, Palmdale Energy, LLC, filed a Petition with the California Energy Commission (Energy Commission) requesting to transfer ownership for the Palmdale Hybrid Power Project (PHPP) from the city of Palmdale to Palmdale Energy, LLC. Palmdale Energy, LLC has provided a statement, verified as provided in section 1707, that Palmdale Energy, LLC understands the Conditions of Certification and agrees to comply with those conditions.

The PHPP was licensed on August 10, 2011, as a nominal 570 MW hybrid facility utilizing combined-cycle and solar trough technologies located in the city of Palmdale, CA.

CONCLUSION AND ORDER

The California Energy Commission hereby grants the request of Palmdale Energy LLC, to acquire ownership of the PHPP and establishes that Palmdale Energy, LLC agrees to be bound by the requirements of the Energy Commission's Decision for the project and understands the obligations imposed by all conditions of certification.

IT IS SO ORDERED.

CERTIFICATION

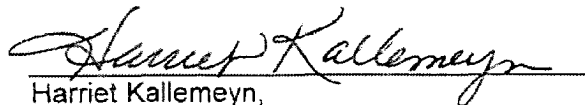
The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of an Order duly and regularly adopted at a meeting of the California Energy Commission held on June 10, 2015.

AYE: Weisenmiller, Douglas, McAllister, Scott

NAY: None

ABSENT: Hochschild

ABSTAIN: None


Harriet Kallemeyn,
Secretariat